

# Exhibit A



## FIRST COMMUNITY BANK NA

240 East Chestnut Street  
P.O. Box 700  
Olney, IL 62450

April 21, 2004

Illinois Gas Company  
ATTN: Roger Avery  
1927 Miller Drive  
Olney, Illinois 62450

Re: Permanent Financing – Illinois Gas Company

Dear Roger:

I am pleased to advise you that First Community Bank, NA ("Bank") has approved permanent financing for Illinois Gas Company. This commitment is subject to the following listed terms and conditions:

- Borrower: Illinois Gas Company
- Guarantors: None
- Principal Amount: Not to exceed \$3,500,000.00.
- Interest Rate: Initial rate of 145 basis points above the five (5) year Treasury Note Rate as of 3 days prior to closing, fixed for a period of five (5) years. (As of April 21, 2004, this rate would be 4.96%). After the initial five year period, the rate shall adjust annually to .5% above Prime Rate as published on that date in the "Money Rate" section of the Wall Street Journal.
- Term: Permanent financing shall be for a term of fifteen (15) years.
- Payment: Permanent financing payments shall be computed over a 180 month period with monthly payments applied first to accrued interest with the remainder applied to principal. Payments on permanent financing shall commence 30 days from the loan origination date and monthly thereafter.

**Olney Branch**  
1110 South West Street  
Olney, IL 62450

**Charleston Branch**  
820 West Lincoln Avenue  
Charleston, IL 61920

**Fairfield Branch**  
303 West Delaware  
Fairfield, IL 62837

**Lawrenceville Branch**  
1601 State Street  
Lawrenceville, IL 62439

**Newton Branch**  
601 West Jourdan Street  
Newton, IL 62448

Payment adjustments will coincide with interest rate adjustments.

-Commitment Fee: \$500.00

-Prepayment Penalty: A prepayment penalty will be assessed if the loan is prepaid during the first five years of the loan. The penalty shall be assessed on any principal curtailment in excess of the amortized principal balance as follows:

5% during the first year  
4% during the second year  
3% during the third year  
2% during the fourth year  
1% during the fifth year

-Collateral: First Mortgage on all real property and interest therein wherever situated, now owned or held by Illinois Gas Company or by it hereafter acquired, including but not limited to: (A) easements, rights of way, highway permits and railway permits in Richland, Jasper and Lawrence Counties in Illinois; (B) any such easements, rights of way or other interests or rights in real property in said counties owned by or hereafter acquired by Illinois Gas Company by adverse possession, prescription, continuous use or passage of time; (C) any interests in real property as set forth in any contract, lease or agreement; and, (D) all pipelines, meters, fixtures, equipment and accessories used in connection with the transmission and distribution of natural gas or related products from point of receipt through sale, located in Richland, Jasper and Lawrence Counties, Illinois.

First lien evidenced by Security Agreement and UCC filing on all equipment, inventory, accounts, instruments, documents, chattel paper, deposit accounts, letter-of-credit rights, supporting obligations, investment property and general intangibles, whether now owned or hereafter acquired.

-Additional Terms: Permanent Insurance Coverage on the above described property with First Community Bank, N.A. stated as loss payee and/or first mortgagee.

All applicable closing costs to be paid by the borrower including but not limited to legal fees.

This loan commitment is contingent upon, and loan funding shall be subject to, fulfillment of the following conditions:

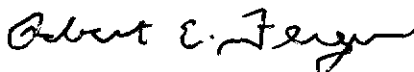
- Final loan agreement.
- Verification of Corporate Goodstanding.
- Evaluation of collateral in a form acceptable to FCB.
- Receipt of title commitment conforming to the standards of the American Land Title Association ("ALTA").
- Fulfillment of all conditions contained in that ALTA commitment necessary to secure a first mortgage lien.
- Evidence of mortgage filing perfecting first lien on real property as collateral.
- Evidence of perfection of first lien on equipment, inventory, investment property, accounts, instruments, documents, chattel paper and general intangibles, whether now existing or hereafter arising.
- No fundamental change in financial condition of the borrower or guarantor until the date of this commitment and loan closing.

This commitment letter does not contain or define all of the terms and provisions that may be included in the final loan documents, but rather, sets forth a framework on which the documents would be structured. If there is any inconsistency between this loan commitment and the final documents evidencing the loan, such final documents shall be controlling.

**This commitment expires on May 31, 2004**, unless otherwise extended in writing by the Bank. Acceptance of this commitment by all parties will extend commitment until closing. Please sign in the space provided indicating your acceptance of the terms of this commitment and return in the self-addressed stamped envelope. Retain a copy for you records.

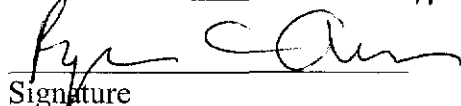
If you have any questions, or if I can be of any further assistance, feel free to contact me at 618/395-8676.

Sincerely,

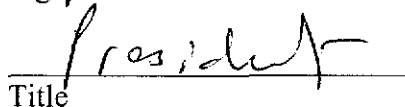


Robert E. Ferguson  
Vice-President

Accepted this 23<sup>rd</sup> day of April, 2004.



Signature



Title